



# Department of Justice

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**ALIVE HOSPICE PAYS U.S. AND TENNESSEE OVER  
\$1.5 MILLION TO RESOLVE FALSE CLAIMS ACT LAWSUIT**

*NASHVILLE, Tenn. – September 10, 2015* - Alive Hospice, Inc. has paid over \$1.5 million to reimburse the government for alleged overbilling of Medicare and TennCare for hospice services, announced Jack Smith, First Assistant United States Attorney for the Middle District of Tennessee. Alive is a non-profit hospice care provider that operates in Tennessee and provides various levels of hospice services.

“The Medicare and TennCare hospice benefits are meant to provide comfort and care to persons who are terminally ill,” said Jack Smith, Acting U.S. Attorney for the Middle District of Tennessee for the administration of this settlement. “We will continue to work to ensure that these benefits are used for these purposes.”

The Medicare and TennCare hospice benefits are available for patients who are nearing the end of their life. Medicare and TennCare reimburse for four different levels of hospice care: routine home care, continuous home care, inpatient respite care, and general inpatient care. General inpatient services are for pain control or symptom management that cannot be managed in other settings, such as a patient’s home. Medicare and TennCare reimburse for general inpatient care at a higher rate than that paid for routine home care or inpatient respite care.

The settlement resolves the government’s allegations that Alive submitted claims to Medicare and TennCare for general inpatient hospice care for patients who did not qualify for that care during the period from June 1, 2010 through December 31, 2012 and for seven patients who did not qualify for general inpatient services on specific dates in 2007 and 2008.

“We are seeing a trend of false claims involving hospice providers,” said Derrick L. Jackson, the Special Agent in Charge at the U.S. Department of Health and Human Services,

Office of Inspector General in Atlanta. “Providers are overbilling the Medicare program and taking advantage of patients at a particularly vulnerable point in their lives. HHS-OIG will continue to pursue providers who overbill these programs and will seek appropriate remedies through the U.S. Attorney’s Office.”

“For the benefit of patients and taxpayers, it is critical that we protect against fraud and abuse,” said Attorney General Herbert H. Slatery III. “These programs have limited funds, so we must ensure that every dollar is spent on the care of those most in need.”

Under the settlement agreement, Alive paid a total of \$1,548,220. Of that amount, \$1,446,132 goes to the United States, and \$102,088 goes to the State of Tennessee.

The allegations resolved by today’s settlement were originally raised in a lawsuit filed against Alive by Linda Anderson, a triage nurse who previously worked for Alive. She brought her claims under the *qui tam*, or whistleblower, provisions of the False Claims Act, which allow private citizens with knowledge of false claims to bring civil suits on behalf of the government and to share in any recovery. Anderson will receive \$263,197 as her share of the settlement.

This settlement illustrates the government’s emphasis on combating health care fraud and marks another achievement for the Health Care Fraud Prevention and Enforcement Action Team (HEAT) initiative, which was announced by the Attorney General and the Secretary of the Department of Health and Human Services in May 2009. The partnership between the two departments has focused efforts to reduce and prevent Medicare and Medicaid financial fraud through enhanced cooperation. One of the most powerful tools in that effort is the False Claims Act. Since January 2009, the Justice Department has recovered more than \$22.75 billion through False Claims Act cases, with more than \$14.5 billion of that amount recovered in cases involving fraud against federal health care programs.

The case was handled by the United States’ Attorney’s Office for the Middle District of Tennessee and the Tennessee Attorney General’s Office and investigated by HHS-OIG and the Tennessee Bureau of Investigation Medicaid Fraud Control Unit. Assistant U.S. Attorney Ellen Bowden McIntyre represented the United States. Senior Deputy Attorney General Leslie Bridges represented the State of Tennessee.

The case is docketed as *United States ex rel. Anderson v. Alive Hospice, Inc.*, No. 3:12-cv-00597 (M.D. Tenn.). The claims settled by this agreement are allegations only, and there has been no determination of liability.

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